Austria

Employer's obligation to improve energy efficiency

Phase	Federal energy efficiency act; Climate and energy fund act; Climate protection act
Native name	Bundes-Energieeffizienzgesetz; Klima- und Energiefondsgesetz; Klimaschutzgesetz
Type	Employer's obligation to improve energy efficiency
Added to database	28 April 2021
Access online	Click here to access online

Article

whole legislation

Description

Federal energy efficiency act

The guideline value for final energy consumption in one year was reduced to 920 petajoules (PJ) for 2030, instead of the previous 1,050 PJ. The targets for cumulative final energy savings measures are 650 PJ (by the end of 2030). 250 PJ will come from the coffers of federal funds, and 400 PJ will be identified from so-called "strategic measures." Details of these measures are specified by the federal and state governments in their interaction up to 2024. The savings potentials are based on a short study by the Federal Environment Agency GmbH (UBA). Energy efficiency measures, such as waste heat recovery, component refurbishment, heating check or zero-emission vehicles, were evaluated and a savings potential of 338 PJ (93,807 GWh) was accumulated from 2021 to 2030.

The share of renewable energies thus increases by 0.43% in the industry sector due to the calculated potential of the measures.

Strategic measures include energy taxes, corporate environmental protection subsidy schemes, refurbishment activities/vouchers, housing and energy subsidies.

For example, all energy suppliers (except for very small businesses with less than 50 employees or less than € 10 millions turnover and less than € 10 millions of total assets) are obliged to conduct an external energy audit every four years, or alternatively set up a certified energy or environmental management system, to reach a target of 0.6% annual increase in the energy savings obligation system.

A minimum amount of compensation of €0.2/kWh will be required if the energy suppliers fail to provide proof for the required energy efficiency measures. The rate of compensation is determined by the average marginal cost and the minimum amount of compensation.

Administrative fines ranging from €10,000 to €100,000 will be imposed depending on the nature of an offence committed by an energy supplier. The offence varies from energy supplier not complying with its reporting obligations, providing false information to the monitoring body, failing to set up an advice and counselling centre for customers, to energy supplier failing to fulfil their individual energy saving obligation, not initiating tender proceedings or not making compensation payments in time.

Climate and energy fund act

The climate and energy fund act is intended to support the development of a sustainable energy system for Austria and the reduction of greenhouse gas emissions. It aims to reduce energy consumption by 25% by 2010 and 45% by 2020, and to improve energy intensity by at least 5% by 2010 and by 20% by 2020. The climate and energy fund is established to give financial support with a particular focus on three key areas: to research into renewable energy systems, to promote projects in developing environmentally friendly public transport systems, and to support projects in accelerating commercial climate mitigation measures.

Climate protection act

This federal regulation aims to support the coordinated implementation of effective climate protection measures, which will lead to a measurable, reportable and verifiable reduction of greenhouse gas emissions or enhancement of carbon sinks.

The act specifies the greenhouse gas emission thresholds for six sectors not covered under the EU Emissions Trading System (ETS) for the period 2008-2012 and the period 2013-2020: waste, energy and industry not covered under the EU ETS, fluorinated gas, buildings, agriculture, and transportation. A National Climate Protection Committee has

been established under this act with main responsibility of advising on fundamental issues related to the Austrian climate policy, particularly on the long-term reduction of greenhouse gas emission, as well as on increasing energy efficiency and the share of renewable energy in final energy consumption.

Commentary

The Energy Efficiency Directive (RL 2012/27/EU) of the European Union, last amended by the Delegated Regulation 2023/807 of the European Commission, provides a framework for the implementation of measures to improve energy efficiency for the Member States. The aim of the directive is to improve energy efficiency by 32.5% by 2030.

Amendments to the climate and energy fund act was introduced in 2009. The amendments are namely on: Article 2 concerning the official representation of the fund; Article 6 dealing with members of the steering committee; Article 7 laying down provisions relating to the tasks of the committee; Article 8 on the composition of the advisory committee; and Article 15 concerning planning strategies.

The climate protection act was firstly amended in December 2013 and then amended in December 2015.

Additional metadata

Cost covered by	Companies National government
Involved actors other than national government	National government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), Austria: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin

Belgium

Employer's obligation to improve energy efficiency

Phase	Royal Decree on the promotion of electricity produced from renewable energy sources
Native name	Koninklijk besluit betreffende de instelling van mechanismen voor de bevordering van elektriciteit opgewekt uit hernieuwbare energiebronnen
Type	Employer's obligation to improve energy efficiency
Added to database	28 April 2021
Access online	Click here to access online

Article

Royal Decree on the establishment of mechanisms for the promotion of electricity generated from renewable energy sources [and the compensation of offshore domain concession holders in case of unavailability of the Modular Offshore Grid]. The royal decree of 20 July 2022 amending the royal decree of 16 July 2002 on the establishment of mechanisms for the promotion of electricity generated from renewable energy sources and the compensation of offshore domain concession holders in case of unavailability of the Modular Offshore Grid.

Description

The Green Certificate Scheme defines the conditions for issuing green certificates by the federal regulator Commission for Electricity and Gas Regulation (CREG) for offshore wind energy production and requires the transmission system operators to obtain green certificates issued anywhere in Belgium at a guaranteed minimum price (equivalent to €107/MWh for offshore wind energy for energy produced by first installed capacity up to 216 MW for each concession and € 90/MWh for additional capacity, and €20/MWh for ocean energy).

Under the Royal Decree of 20 December 2000, the Minister for Energy can deliver domanial concessions for the construction and the exploitation of installations of electricity production, generated from water, currents or winds, in the territorial sea and the exclusive economic zone of Belgium. The decree determinates the zone where the installations may be set up. It also specifies the criteria of granting and the procedure by which the concessions are being issued.

In additional to the federal Green Certificate Scheme, provincial schemes are in place in the Brussels capital region and in Flanders.

In the Brussels capital region, green certificates are awarded to all energy suppliers producing renewable energy. The number of green certificates granted is proportional to the CO2 savings made by the installation compared to a benchmark. All electricity suppliers are obliged to purchase an annual quota of green certificates proportional to the volume of electricity sold on the Brussels market, to assure their selling activities.

All the electricity suppliers in Flanders are obliged to purchase a certain number of green certificates as well. The amount has to be 14% of their total electricity supply in 2013, 15.5% in 2014, 16.8% in 2015, 20.5% in 2020. The suppliers must submit the certificates to the Flemish regulator (VREG or Vlaamse Regulator voor de Elektriciteits- en Gasmarkt) by the 31 March every year. A fine of €100 is imposed for each missing certificate.

On 20 July 2022, a Royal Decree was signed that radically changed the funding mechanism for the public service obligation of the electricity transmission system operator, Elia, to purchase green certificates at a minimum price. The system switched from a tariff surcharge to funding via state budget.

Commentary

The National Green Certificate Scheme Belgium was firstly introduced in 2001 to deal with the renewable electricity market. The national scheme defined the procedures for licensing offshore installations and for issuing the green certificates. It also determined how the quota was calculated and the rate of fines for not fulling the quota. A provincial green certificate scheme was set up in Wallonia as well. The two schemes have been terminated.

Additional metadata

Cost covered by Employer

Involved actors other than national government	Regional/local government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), Belgium: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin

Bulgaria

Employer's obligation to improve energy efficiency

Phase	Energy efficiency act
Native name	Закон за енергийната ефективност
Type	Employer's obligation to improve energy efficiency
Added to database	17 May 2021
Access online	Click here to access online

Article

Art. 12, Art. 14a, Art. 57, Art. 63 of Energy Efficiency Act

Description

The Energy efficiency act (EEA) aims to enhance energy supply security, energy sector competitiveness and environment protection.

Two groups of companies are affected by the EEA - energy suppliers, defined in Article 14a (4) with regard to achieving the energy saving targets and energy consumers, defined in Article 57 (2), with regard to mandatory energy efficiency surveys. Municipalities, as actors described in Article 63 of the act, together with actors of Article 57 (2) are required to implement energy consumption management activities.

The EEA national target sets forth saving primary energy of at least 27.89% and final energy consumption of at least 31.67% of the reference scenario PRIMES 2007 for the period 1 January 2021 to 31 December 2030. The act has introduced measures including the obligation to undertake municipal energy efficiency programmes, requirements for energy efficiency labelling, the use of minimum standards for energy efficient appliances, obligatory energy efficiency surveys (audits) and amendments of the energy performance standards for existing buildings.

Other measures include the provision of energy efficiency improvement activities and measures, as well as energy services, the establishment of a national information system to ensure accessibility and availability of information on the condition of energy efficiency, the creation of funding mechanisms for energy efficiency improvement and energy savings certificates, and the introduction of energy efficiency control and administrative penalty provisions.

The regional and local governments are obliged to implement the energy efficiency policy at regional and municipal levels.

Commentary

The Energy efficiency act, amended in March 2021, includes over 100 changed provisions. These amended provisions concern mainly the new planning period 2020-2030, as well as detailing the responsibilities of the various authorities responsible for the implementation, audit and surveys of obligated parties.

The amended Article 63 introduces provisions obliging the energy consumers, as defined in Article 57 (2) to exercise energy management activities, including maintaining a database about energy consumption and annual reporting to the Sustainable Energy Development Agency (SEDA) of their energy management activities, by 15 December of the respective year.

Additional metadata

Cost covered by	Companies
Involved actors other than national government	Regional/local government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), Bulgaria: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin

Croatia

Employer's obligation to improve energy efficiency

Phase	Law on renewable energy sources and highly effective cogeneration (138/21); Decision on the fee for renewable energy sources and high-efficiency cogeneration (OG 31/23) Decree on the quotas for incentivizing the production of electricity from renewable energy sources and highly efficient cogeneration (OG 57/20); Law on the establishment of infrastructure for alternative fuels (OG 120/16, 63/22)
Native name	Zakon o obnovljivim izvorima energije i visoko učinkovitoj kogeneraciji (138/21) Odluka o naknadi za obnovljive izvore energije i visokoučinkovitu kogeneraciju (OG 31/23) Uredba o kvotama za poticanje proizvodnje električne energije iz obnovljivih izvora energije i visoko učinkovite kogeneracije (OG 57/20) Zakon o uspostavljanju infrastrukture za alternativna goriva (OG 120/16, 63/22)
Type	Employer's obligation to improve energy efficiency
Added to database	17 May 2021
Access online	Click here to access online

Article

Various articles, by Zakon o uspostavljanju infrastrukture za alternativna goriva (The Law on the establishment of infrastructure for alternative fuels - OG 120/16, 63/22) particularly Article 4.

Description

The Law on renewable energy sources and highly effective cogeneration aims to establish a regulatory framework to create incentives for producing electricity from renewable energy sources and high efficiency cogeneration, and for consuming energy from renewable sources. Energy suppliers can purchase renewable energy production facilities

at a rate consisting of a market premium and a guaranteed price for installations with a power rate below 30 kW.

Other purposes of the same Law include the promotion of efficient energy use and reducing the impact of fossil fuels on the environment. This is stipulated in Article 2(4).

The Decision on the fee for renewable energy sources and high-efficiency cogeneration defines the issues of fee for renewable energy sources and high-efficiency cogeneration.

In addition, a Decree on quotas for incentivizing the production of electricity from renewable energy sources and high efficiency cogeneration has been introduced. The decree determinates the quotas for the subsidized production of electricity from renewable energy sources and cogeneration.

The Law on the establishment of infrastructure for alternative fuels includes decarbonization and contains measures to improve the environmental efficiency of the transport sector.

Croatia has approved the new Energy Development Strategy which covers the period up until 2030 with a view to 2050. The main goal of mentioned document is to enable energy independence, a safe and long-term sustainable supply, as well as the development and competitiveness of the energy system. The strategy's main aims are to reduces dependence on energy imports and strengthening the supply of energy products by developing modern and efficient strategic infrastructure. One of the most important projects is the liquefied natural gas (LNG) terminal on the island of Krk. The strategy is grounded on growing and sustainable energy production, expansion of new infrastructure and alternative energy supply routes. Croatia also plans improvements in energy efficiency, with the intention to support the EU's climate neutrality by 2050. The document contains two conceivable scenarios – the more ambitious scenario (S1) and a conservative development scenario (S2). S1 forecasts the same share of renewable energy in overall gross consumption of energy by 2030, but significant improvement for the period until 2050, by when it envisages a renewable share of 56.2% (Renewable energy law and regulation in Croatia, 2020).

Recently, Croatia moved away from fossil sources and generated more electricity from renewables. The effectiveness of this depends on hydrological conditions, since most electricity in Croatia is produced from large hydropower plants. Croatia has already surpassed its target of 20% renewable energy in final energy consumption. In year 2011, 45% of electricity was generated from renewable energy sources (RES), including large hydropower plants. Mentioned share grew to 49.5% in 2012, rose to 65.2% in 2013, and reached 74.2% in 2014. However, there was a decrease to 68% in 2015, and an additional decrease to 47% in 2017. In these years, large hydropower plants participated between

42% and 67.3% in the total energy production, while their share in the total RES production was between 80% and 90%. Other renewable energy sources – small hydropower plants, wind energy, solar energy, biomass, biogas and photovoltaic systems – increased their share from 3% to 19.6% of annual RES electricity.

In January 2016, a new Act on Renewable Energy Sources and Highly Effective Cogeneration came into force (OG 100/15, later amended OG 123/16131 /17, 96/18 and 111/18). It contains a new incentive system for RES and highly effective cogeneration in Croatia, featuring a market premium and a guaranteed purchase price for RES facilities up to 500kW. The incentive system foresaw that an eligible electricity producer would sell electricity on the electricity market and receive a market premium from the electricity market operator (HROTE) for the net electricity delivered from the production plant to the power grid.

Eligible producers with production plants of installed power up to and including 500kW can conclude a power purchase agreement with the HROTE which is responsible for the purchase of electricity with a guaranteed purchase price. The right to the incentive depends on the outcome of tenders conducted by the HROTE. Since the introduction of the new law in January 2016, the Croatian government adopted secondary legislation regarding the tender procedures and percentage of RES energy that distributors of electric energy are required to buy from the HROTE. It is a Decree on the quotas for incentivizing the production of electricity from renewable energy sources and highly efficient cogeneration (Uredba o kvotama za poticanje proizvodnje električne energije iz obnovljivih izvora energije i visokoučinkovitih kogeneracija). New quotas were enacted (OG 57/20) in 2020 and with them the regulatory framework for the new incentive system has been finalized. These quotas cover the period from 2020-2022. Solar power plant quotas are set at 625MW of connecting power, while wind turbine quotas are set at 1.05GW of connecting power. These quotas cover market premium and guaranteed purchase price incentives. By the end of 2021, the Croatian Energy Market Operator (HROTE) will proclaim Annual Programs for tendering quotas. Alongside these, HROTE will issue public calls for expression of interest for incentives.

In 2019, the Ministry for Environment and Energy prepared the Integrated National Energy and Climate Plan for the Republic of Croatia for the period 2021-2030, which follows various national strategies and plans. This document provides an overview of the current energy system and the energy and climate policy. It furthermore contains an overview of the national targets for each of the five key dimensions of the Energy Union and the suitable policies and measures to achieve those targets. In the implementation of the Integrated Energy and Climate Plan, an adequate attention is dedicated to the targets to be achieved by 2030, which include the reduction in greenhouse gas emissions, energy from renewable sources, energy efficiency and electricity interconnection. It should be

ensured that the Integrated Energy and Climate Plan is consistent with and contributes to the Sustainable Development Goals.

In recent years, Croatian local authorities and the Environmental Protection and Energy Efficiency Fund have encouraged and co-financed many residential (off-grid) projects for solar energy and biomass boilers to produce heat and/or electricity. There has also been the European Commission-approved co-funding of the Croatian and Slovenian transmission and distribution system operators for the SINCRO.Grid project. Phase 1 of the project is to provide for more efficient use of the existing electricity grid in Slovenia and Croatia, which will enable the existing infrastructure to accept larger quantities of electricity from renewable sources and ensure more reliable electricity supply.

The Law on Establishing Infrastructure for Renewable Energy Sources (OG 120/16, 63/22) and highly effective cogeneration aims to establish a regulatory framework to create incentives for producing electricity from renewable energy sources and high efficiency cogeneration, and for consuming energy from renewable sources. The Act defines the Common Framework of Measures for the development of the market for alternative fuels in the transport sector and for the installation of appropriate infrastructure as determined by the National Policy Framework. It has been adopted for the period after 2016 until the objectives for the development of the market for alternative fuels in the transport sector and for the installation of appropriate infrastructure. The Article 4 of the Law stipulates the National Policy Framework (hereinafter: NPF). The NPF among others consists of:

Assessments of the current state and future development of the alternative fuels market in the transport sector, including their possible simultaneous and combined use and the development of alternative fuels infrastructure, considering, where possible, uninterrupted cross-border coverage.

National individual and group targets for setting up infrastructure for alternative fuels, which can be revised on the basis of a demand assessment, while ensuring compliance with the minimum infrastructure requirements.

The measures necessary to achieve the national individual and group objectives, including measures to encourage and facilitate the setting up of filling points which are not available to the public.

Measures that can promote the installation of infrastructure for alternative fuels as part of public transport services.

Designation of settlements, construction areas of settlements, i.e. urban/suburban agglomerations, other densely populated areas and networks which, in accordance with market needs, will be equipped with publicly available filling points.

Determination of settlements, construction areas of settlements, i.e. urban/suburban agglomerations, other densely populated areas and networks which, in accordance with the needs of the market.

(3) The NPF enables the satisfaction of the needs of various types of transport that exist in the Republic of Croatia, including those for which there is a limited availability of alternatives to fossil fuels.

(4) The NPF is harmonized with the acts of planning in the field of transport, energy, physical planning and environmental protection.

(5) The NPF enables the satisfaction of the interests of public sector bodies, as well as the interests of interested stakeholders.

(6) The NPF shall make use of the results of international cooperation through consultations or common policy frameworks, to ensure the consistency and coherence of measures. ...

(10) The report on the implementation of the NPF shall contain a description of measures taken to support the construction of infrastructure for alternative fuels.

Amendments to the said Act (OG 63/22) stipulate that Article 2 defines following:

This Act transposes Directive 2014/94/EU of the European Parliament and the Council of 22 October, 2014 on the establishment of infrastructure for alternative fuels (OJ L 307, 28 October, 2014), as last amended by the Commission's Delegated Regulation, into Croatian legislation. (EU) 2019/1745 of 13 August 2019 amending and amending Directive 2014/94/EU of the European Parliament and of the Council with regard to recharging points for category L motor vehicles, supply of electricity from land for vessels on inland waterways, supply of hydrogen for road transport, supply of natural gas for road and water transport and on repealing Commission Delegated Regulation (EU) 2018/674 (Text relevant to the EEA) (OJ L 268, 22 October 2019).

This Directive establishes a common framework of measures for the deployment of alternative fuels infrastructure in the Union in order to minimize dependence on oil and to mitigate the environmental impact of transport. This Directive sets out minimum requirements for the building-up of alternative fuels infrastructure, including recharging points for electric vehicles and refueling points for natural gas (LNG and CNG) and hydrogen, to be implemented by means of Member States' national policy frameworks, as well as common technical specifications for such recharging and refueling points, and user information requirements.

Commentary

Croatia has great potential to transform to an energy-efficient, sustainable, renewable-based economy. Its small population, relatively low energy demands, ample sun and wind resources, large areas of forest and large existing hydropower plant capacity are all positive factors. However, Croatia is not yet fully exploiting its potential in renewables, especially in solar and wind energy. The geographical location of the Croatian coast has significant advantages for using solar and wind energy sources. To date, however, there have not been any projects for offshore wind power plants. Nationwide projects to improve the energy efficiency of buildings are proceeding at a fast pace, with HRK 1.5bn (€ 200m) contracted to date, translating into improved energy efficiency of 1,300 public buildings and 17,000 households.

By implementing the energy policy of encouraging renewable energy sources in the Republic of Croatia, the target set by 2020, which was stabilized at 28% of renewable sources in total final energy consumption was more than achieved. The desired target was set at 20% of renewable sources in total final energy consumption. In the incentive system, 1030 MW of new production plants for renewable energy sources and high-efficiency cogeneration were built. However, the still large share of energy sources for heating and cooling is based on the use of heated wood in households. Therefore, for such purposes, it is necessary to make a step forward in greater reliance on new technologies that use renewable energy sources.

In March 2023, the authorities extended the energy measures package including a reduced VAT rate on gas and various other energy products, reduced excise duties on fuel and social transfers to disadvantaged groups (increased social benefits for the unemployed and disadvantaged energy buyers and a lump-sum energy supplement for pensioners). The authorities also prolonged the price caps on electricity, gas and fuels and froze the price for heating from thermal power stations, as well as limiting the charges incorporated into electricity prices and subsidies for farmers and fishermen.

The difference between the market price and the capped prices for electricity and gas is financed by HEP (the state-owned energy company), for which the government approved a capital transfer of up to EUR 0.9 billion to finance the price caps. The two-tiered pricing system for electricity is subsidized at different levels of consumption for households and companies for the period 1 April - 30 September 2023, while the gas price is subsidized until end of March 2024.

Croatia should still report information to the Commission on the application of Council Regulation (EU) 2022/1854.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Regional/local government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), Croatia: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin

Czechia

Employer's obligation to improve energy efficiency

Phase	Act No. 406/2000 Coll. on energy management
Native name	Zákon č. 406/2000 Sb. o hospodaření s energií
Type	Employer's obligation to improve energy efficiency
Added to database	17 May 2021
Access online	Click here to access online

Article

Title IV. - Certain measures for increasing the efficiency of energy use

Description

This law aims to improve the effectiveness of energy management within the National Programme to Abate Climate Change Impacts in Czechia. The individual provisions concern the state administration, companies and individuals and regulate, for example, measures for increasing the efficiency of energy use and the obligations of natural and legal persons in energy management, rules for the development of the State Energy Concept, the Territorial Energy Concept and the State Programme for the Promotion of Energy Saving, requirements for the ecodesign of products related to energy consumption, requirements for the indication of energy consumption on energy labels of products, requirements for information and education in the field of energy saving and the use of renewable resources, and some rules for the provision of energy services.

The law has introduced a series of strategic measures to increase energy efficiency and to reduce energy consumption, including introducing requirements for eco-design and energy-consuming products and establishing a state program in support of energy savings and the use of renewable energy sources.

The energy management act was amended in 2013, with an aim of addressing the increased energy consumption in the building sector and the high energy intensity of

the economy. The amendment introduced stricter standards for energy efficiency in the residential sector.

Commentary

Enterprises are particularly concerned with Title IV. - Certain measures for increasing the efficiency of energy use. This especially concerns measures relating to the energy performance of buildings, including heating and air conditioning systems.

Additional metadata

Cost covered by	Companies
Involved actors other than national government	National government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), Czechia: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin

France

Employer's obligation to improve energy efficiency

Phase	Energy code
Native name	Code de l'énergie
Type	Employer's obligation to improve energy efficiency
Added to database	28 April 2021
Access online	Click here to access online

Article

article L341-4-2, D341-9, D341-10, D351-5, D351-7

Description

The reduction in the electricity transmission tariff for electro-intensive industries was introduced by article 157 of Law 2015-992 (17 August 2015) on energy transition for green growth.

Since 2016, article L.341-4-2 of the Energy Code stipulates that electro-intensive industrial sites can enjoy a reduction in electricity transmission tariffs ("Tarif d'Utilisation du Réseau Public de transport de l'Electricité - TURPE") if they have a predictable and stable, or countercyclical, consumption profile. The beneficiaries are consumption sites "connected directly to the transmission system or those equipped with a metering device managed by the transmission system operator".

To benefit from tariff reductions, the electro-intensive industrial sites concerned must:

- justify a level of energy used higher than a minimum level; In practice this covers mostly industrial sectors (paper, metal, chemical, cement sectors, etc.)
- meet criteria for using the public transmission network (minimum duration of use and minimum rate of use in off-peak hours);

Article D341-9 of the Energy Code (as amended by decree n°2021-420 of 10 April 2021) includes an annex listing four categories of eligible sites and the applicable electricity transmission tariff reduction. For instance, sites with a stable consumption profile are those "whose annual electricity consumption drawn from the electricity transmission network is greater than 10 GWh and whose duration of use of the network is greater than or equal to 7,000 hours; excluding sites allowing energy to be stored for subsequent return to the network". This category enjoys the highest reduction of tariff, at 81% of the Tariff for the Use of Public Electricity Networks (TURPE).

To benefit from this reduction, companies must:

- submit an annual certificate to public authorities (Prefect of the region where the site is located) to justify that the sites concerned meet the eligibility criteria (art. D351-7 Energy Code);
- send their request to the transmission network operator, along with a copy of the above certificate (art. D.341-10).

As per article D.351-5 of the Energy Code, companies can benefit from this tariff reduction if, within 5 years of their first request, they reach an energy performance target with indicators defined as the ratio between energy consumption and a unit of production. These indicators are certified as part of the implementation of an energy management system according to an international standard (ISO 50001).

Commentary

Set up by law n°2000-108 of 10 February 2000 on the modernisation and development of the public electricity service, the Tariff for the Use of Public Electricity Networks (TURPE) is used to remunerate electricity transmission and distribution network operators. Concretely, electro intensive companies are mainly found in industrial sectors (paper, metal, chemical, cement sectors, etc.) strongly exposed to international competition. The reduction of TURPE thus aims to alleviate the costs supported by those sectors to contribute to their competitiveness. In return, these companies are required to improve their energy performance and thus to contribute to environmental objectives. According to the Energy Regulation Commission (CRE -2021), the estimated amount of TURPE reductions is approximately €230 million per year.

Additional metadata

Cost covered by None

Involved actors other than national government	National government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), France: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin

Hungary

Employer's obligation to improve energy efficiency

Phase	57/2015 Energy Efficiency Act; Act LXXXI of 1996 on corporation tax and capital return tax; MEKH Hungarian Energy and Public Utility Regulatory Office decree 1/2020; Government Decree on determining the installation points of sub-meters to be installed by economic entities obliged to use an energy specialist, and the minimum requirements for measurement using sub-meters; Government decree 122/2015 on implementing the Energy Efficiency Act
Native name	2015. évi LVII. törvény az energiahatékonyságról; 1996. évi LXXXI. törvény - a társasági adóról és az osztalékadóról; 1/2020 Magyar Energetikai és Közmű-szabályozási Hivatal - MEKH rendelet az energetikai szakreferens igénybevételére köteles gazdálkodó szervezetek által telepítendő almérők telepítési pontjainak, valamint az almérők alkalmazásával történő mérés minimális követelményeinek meghatározásáról; 122/2015. (V. 26.) Korm. rendelet az energiahatékonyságról szóló törvény végrehajtásáról; 176/2017. (VII.4.) Korm. rendelet az energiahatékonysági célokat szolgáló beruházás adókedvezményének végrehajtási szabályairól;
Type	Employer's obligation to improve energy efficiency
Added to database	28 April 2021
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Article

57/2015 Article 1 81/1996 Article 22/E

Description

The Energy Efficiency Act acts as a basis for terms of reference

The aim of the Act is to define certain tasks necessary to meet the national energy efficiency objective and to ensure the conditions for implementing these tasks, in order to ensure the overall efficiency of energy supply and energy use, thereby helping to reduce energy costs and protect environmental resources for future generations, also taking into account EU law requirements.

In June 2023, Article 1 of the Act containing definitions refined the term 2. “individual action”, specifying that it is an investment, or energy efficiency improving measure or a combination of the two, which is a result of a significant contribution under a relevant policy. “Significant contribution” is defined under point 24c as one without which the individual action would not have been implemented.

The Act states that primary energy consumption and final energy consumption to be achieved by 2020 and 2030 should be set as indicative energy efficiency targets. These targets are to to be taken into account when setting the official indicative energy efficiency target for 2030, which states that the European Union's energy consumption in 2030 should not exceed 1128 Mtoe primary energy and 846 Mtoe final energy. The law includes:

- Long-Term Renovation Strategy
- Energy efficiency tasks of central public bodies and public institutions
- Energy efficiency improvement measures to save energy on end-use
- Implementation of energy efficiency improvement policy measures
- Efficient operation of energy production facilities, heat supply networks and industrial installations producing waste heat
- Energy efficiency information website
- Information tasks of retail energy sales companies and the Hungarian Chamber of Engineers
- Energy audit obligation and its control
- Reporting on the performance of energy audits
- Natural persons and entities authorised to audit energy

Corporate income tax credit for energy efficiency investments

The corporate income tax incentive aims to improve energy efficiency and promote energy efficiency investment across all business sectors in Hungary since 2017. The incentive scheme targets both large enterprises and small and medium-sized enterprises (SMEs). The corporate taxpayer may enjoy tax relief when implementing an investment for energy efficiency enhancement purposes, such as the purchase of new equipment, machinery or other assets, switching to more efficient new equipment, machinery or implementing a refurbishment of existing assets or buildings. The tax refund can reach up to 30% of

eligible costs, but not more than the amount equivalent of €15 million at current prices, which can be increased by 20% for small enterprises, and by 10% for medium-sized enterprises (Article 22/E (2)-(3)). The tax relief may only be claimed on investments aimed at energy efficiency improvement. Such investments must be certified by an auditor registered at the Hungarian Energy and Public Utility Regulatory Office (MEKH). Investments to fulfil the mandatory environmental protection standards or minimum energy efficiency standards are not eligible for this incentive scheme. Taxpayers are obliged to provide data on the certified investment and the energy savings stemming from it.

Requirement for large energy consuming enterprises to install sub-metering devices

Under modifications to Article 3 of the MEKH decree 1/2020 enacted in June 2020, large energy consuming enterprises are required to install sub-metering devices which allows auditors to audit major energy consuming appliances or units at such companies. Appliances have to be measured with sub-meters installed separately if they are:

- electronic appliances with electronic power larger than 100 kW (such as pumps or electric engines),
- heating appliances with electronic power larger than 140 kW (such as HVAC units or heat pumps)

Exceptions to the required sub-meter installation obligation are for the equipment whose operating times do not exceed 2,000 operating hours / year on average in the three years preceding the year in question. The threshold numbers were lowered to 50 kW, 70kW and 1,000 operating hours/year, respectively, in an amendment of Article 1(a)-3 effective 1 January 2023.

Mandatory appointment of an energy manager at large enterprises

This measure aims to promote energy efficient behaviours, planning and investment at large energy consuming enterprises. It obliges them to report energy saving data annually to the Hungarian energy and public utility regulatory office (MEKH).

Commentary

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Additional metadata

Cost covered by	Employer
Involved actors other than national government	National government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), Hungary: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin

Luxembourg

Employer's obligation to improve energy efficiency

Phase	Organisation of the electricity and natural gaz market in Luxembourg
Native name	Organisation du marché de l'électricité et du gaz naturel au Luxembourg
Type	Employer's obligation to improve energy efficiency
Added to database	17 May 2021
Access online	Click here to access online

Article

Loi du 9 juin 2023 modifiant : 1° la loi modifiée du 1er août 2007 relative à l'organisation du marché de l'électricité ; 2° la loi modifiée du 1er août 2007 relative à l'organisation du marché du gaz naturel.

Description

Related to the transposition of the EU directive 2012/27/UE, the government introduced and consecutively modified the legal framework as regards the organisation of the electricity and natural gas markets in Luxembourg.

The organisation of the electricity market (Loi électricité)

According to the legal framework in place, the organisation of the energy market is based on a strict separation between regulated activities (infrastructure management) and unregulated activities such as production, sale and purchase, which have remained open to competition. Access to the networks has been since 2007 organised and supervised by a regulator, the Luxembourg Institute of Regulation (Institut Luxembourgeois de Régulation, ILR). This independent body approves network access tariffs. The regulator's task is to guarantee non-discrimination, effective competition and the efficient organisation of the markets.

- The organisation of the natural gas market*

The 2021 law modifying the existing legal framework is based on the EU Directive 2018/2002 / EU related to energy efficiency and which imposes on EU Member States a new cumulative energy savings target at the end-use stage for the entire 2021-2030 obligation period, equivalent to new annual savings of at least 0, 8% of final energy consumption. Luxembourg has set the objective of final energy savings of between 1.2 and 1.5% per year for all sectors as part of the Integrated national energy and climate plan (PNEC) for the period 2021 to 2030, voted by the government in May 2020. The legal framework stipulates that electricity and gas suppliers in Luxembourg encourage consumers to reduce their energy consumption by carrying out energy efficiency measures, such as for example the energetic renovation of hours or measures implemented at company level.

During the COVID-19 pandemic, the government enforced a temporary legal framework related to the electricity and natural gas market.

The new 2023 legal framework also provides the legal framework for electro mobility and charging stations.

Commentary

The recent partly reorganisation of the organisation of the electricity and natural gaz markets in Luxembourg has been fuelled by EU efforts to reduce energy consumption in the context of the Paris climate goals. The new legal framework should encourage companies and citizens to continue investing into green technologies with the objective to meet climate objectives in the medium run.

Additional metadata

Cost covered by	Companies Employee Employer National government
Involved actors other than national government	National government Other
Involvement (others)	Institut Luxembourgeois de Régulation (ILR)

Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), Luxembourg: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin

Romania

Employer's obligation to improve energy efficiency

Phase	Law on energy efficiency no 121/18 July 2014
Native name	Legea nr. 121 din 18 iulie 2014 privind eficienta energetica
Type	Employer's obligation to improve energy efficiency
Added to database	17 May 2021
Access online	Click here to access online

Article

Law on energy efficiency 121/2014 [Legea nr. 121/2014 privind eficienţa energetică] - 1, 8 Emergency Ordinance No 184 of 22 October 2020 for amending and supplementing Law No 121/2014 on energy efficiency [Ordonanță de Urgență nr. 184 din 22 octombrie 2020 pentru modificarea și completarea Legii nr. 121/2014 privind eficiența energetică] - 3, 8 Emergency Ordinance No 130 of 29 September 2022 for amending and supplementing Law No 121/2014 on energy efficiency [Ordonanță de Urgență nr. 130 din 29 septembrie 2022 pentru modificarea și completarea Legii nr. 121/2014 privind eficiența energetică] - 4

Description

The law aims to establish a legal framework to improve energy efficiency across various sectors, primarily including manufacturing, distribution and supply, and transport. The law has set out the national target of reducing energy consumption by 19%. The target was set for 2020.

The law has introduced a number of strategic measures to achieve the goal, including removing barriers, introducing incentive schemes, promoting cooperation between end users, developing research, and encouraging energy services provision. The law also provides support for building and restoration of energy efficient buildings across private, public and commercial sectors.

For the purposes of applying the legal provisions, the National Energy Regulatory Authority (ANRE) by internal ANRE director, the Department of Energy Efficiency was established. The ANRE, through the Department of Energy Efficiency, will inform the government of compliance with the institutions involved in implementing this law, by the legal deadline for submitting reports. ANRE, through the Energy Efficiency Department, in collaboration with other competent authorities, promotes and regulates access to the market for energy services, especially for SMEs. The Ministry of Economy aims to develop programmes to encourage SMEs to undergo energy audits, as well as subsequent implementation of the recommendations of these audits.

With a view to achieving energy savings among consumers, energy efficiency policy measures shall be adopted between 1 January 2014 and 31 December 2020 aiming to save every year 1.5% of the annual energy sales volume to consumers of all distributors or energy suppliers by volume, calculated as an average over the 3 year period immediately prior to 1 January 2013.

The targets of energy savings resulting from the implementation of energy policy measures as the sum of the national energy efficiency plan shall be: a) 1% in 2014 and 2015; b) 1.25% in 2016 and 2017; c) 1.5% in 2018, 2019 and 2020, with the average annual primary energy consumption reference basis in the 3 years preceding 1 January 2013.

As part of efficient energy management, mentioned in the National Energy Efficiency Action Plan, the economic operators have to raise the interest of all employees in efficient energy use and educating them through specific energy loss reduction programmes.

The Romanian Energy Efficiency Fund is a financial institution providing commercial financing of investments projects aiming the rational use of energy (RUE). The Fund assists industrial companies and other energy consumers in adopting and use of modern technologies for efficient use of energy. Thus, the Romanian economy could be affected by the reduction of its final energy intensity and the mitigation of Green House Gases and other pollutant emissions. The Romanian Energy Efficiency Fund aims to promote a demonstrative effect, through the successful implementation of this GEF/IBRD energy efficiency project, and to increase the interest of the banking sector in supporting energy efficiency investments in Romania.

Public bodies, including those organised at regional and local level, as well as social housing bodies covered by public law, are encouraged, according to their competences and administrative structures: a) to adopt a self-sustainable energy efficiency plan or as part of a comprehensive climate or environment plan, containing specific targets and actions on energy saving and energy efficiency; b) to implement an energy management system, including energy audits, as part of the implementation of the plan referred to in

point (a); c) to use energy service companies and energy performance contracts as appropriate to finance renovation and implement plans to maintain or improve energy efficiency in the long term . In order to achieve energy efficiency in buildings, the Ministry of Regional Development and Public Administration, as the competent authority in the field of construction, performs analyses and develops strategies, promotes public policies and specific legislation, initiates and monitors programs to increase energy efficiency in buildings.

According to Law on energy efficiency, no 121/18 July 2014 an authorized natural person, a legal entity can hold an energy auditor's license entitling them to carry out energy audits of consumers. The license is issued by the Ministry of Energy based on the Regulation on the authorization of energy auditors in industry, approved by an order of the Minister of Energy. Energy auditors who are natural persons carry out their activities as authorized natural persons or as employees of legal entities, in accordance with the legislation in force. The Directorate of Energy Efficiency of the Ministry of Energy monitors the achievement of energy savings and prepares an annual report for the previous year based on the reports received from the institutions involved in the implementation of this Law by 30 June of the year following the reporting period. The report is published annually on the website of the Ministry of Energy until 1 September of the respective year.

On its website, the Ministry of Energy published two regulations for the certification of energy managers and energy service companies and of the energy auditors for industry. In addition, the Ministry of Education authorized technical department of the universities to trainee persons for carry out thermal energy audits of industrial processes, energy process management in industry and for the implementation of locality-specific energy process management.

Law no 216 / 14 July 2022 amends and supplements Law no. 85/2014 on insolvency prevention and insolvency proceedings. The new amendments are a restructuring of Law 85/2014 and a long-awaited regulation of insolvency proceedings in view of EU Directive 2019/1023.One of the important changes is the abolition of the ad hoc mandate and its replacement by the restructuring agreement procedure. Other amendments regards the redefinition of the scope of the law, the main beneficiaries of the previsions of the law (in the case of the liberal professions, the procedures laid down in the law concern their undertaking and not their professional status) and new concepts are introduced. In addition, certain terms specific to insolvency proceedings are redefined, early warning procedure is introduced. The procedure specified that certain professionals are alerted by the tax authority to non-fulfilment of obligations and are provided with information on the remedies free of charge via a website. The aim is to give companies an early warning of a situation which, perpetuated in the absence of remedial measures, would have the potential to lead to default. The previsions from the law concerning the insolvency

prevention procedure are modified.

Commentary

Law 562/2016 amends the 2014 text to transpose Directive 2012/27/EU.

The National Energy Efficiency Action Plan was drafted by an independent consultant contracted by the Ministry of Energy, on the basis of public information, and on the basis of relevant information concerning energy consumption, energy savings, investment plans and others, provided in August - November 2017 by the following ministries/entities implementing efficiency measures Ministry of Development, Public Works and Administration, Ministry of Investments and European Projects, Ministry of Economy, Ministry of Transport and Infrastructure, Ministry of Agriculture and Rural Development, ANRE and Department of Energy Efficiency of ANRE, as well as economic operators; and their associates.

Emergency Ordinance No 184 of 22 October 2020 for amending and supplementing Law No 121/2014 on energy efficiency and Emergency Ordinance No 130 of 29 September 2022 for amending and supplementing Law No 121/2014 on energy efficiency supports the implementation of Directive (EU) 2018/2.002.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Regional/local government
Involvement (others)	None
Thresholds	Affected employees: 249 Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), Romania: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin

Slovenia

Employer's obligation to improve energy efficiency

Phase	Employer's obligation to invest into green transition
Native name	Obveznost delodajalca investirati v zeleni prehod
Type	Employer's obligation to improve energy efficiency
Added to database	23 October 2023
Access online	Click here to access online

Article

Act Governing Aid to Businesses to Mitigate Impact of Energy Crisis (Zakon o pomoči gospodarstvu za omilitev posledic energetske krize, ZPGOPEK), Article 4

Description

The Act Governing Aid to Businesses to Mitigate the Impact of the Energy Crisis (ZPGOPEK), issued on 27 December 2022, provided comprehensive aid to the economy in 2023. The state help consisted of (1) partial reimbursements of price increases for electricity, natural gas and steam, (2) wage compensations for temporary layoff and short-time work, and (3) liquidity loans. Companies entitled to state aid under point 1 were eligible to claim temporary layoff subsidies. However, one of their obligations was to allocate half of the funds received for green investments.

Employers who have received temporary layoff subsidies must invest half of the sum in environmentally friendly projects. The deadline is 30 months after the first reimbursement of wage compensation. The law includes a list of initiatives that are eligible: environmentally friendly technologies, cleaner, cheaper, and healthier public or private transportation, the decarbonisation of the energy sector, energy efficiency in buildings, and other climate-neutral projects. The 'Rules on the Application of Tax Incentives for Investments in the Digital and Green Transition' contain a comprehensive list of qualifying activities.

Beneficiaries must submit proofs of their investments to the Employment Service of Slovenia (ZRSZ) within two months after the expiration of their obligation to increase energy efficiency. In the event of noncompliance, the Employment Service will require the repayment. The exception applies to employers who can demonstrate that they did not invest in green transition for objective reasons or due to force majeure, but merely in environmentally friendly technologies and the decarbonisation of the energy sector.

Commentary

Information on beneficiaries of the temporary layoff scheme and the resulting fund for green investment are not yet available.

Additional metadata

Cost covered by	National government
Involved actors other than national government	National government Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2023), Slovenia: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin

Spain

Employer's obligation to improve energy efficiency

Phase	Royal Decree-law 15/2018
Native name	Real Decreto-ley 15/2018
Type	Employer's obligation to improve energy efficiency
Added to database	23 April 2021
Access online	Click here to access online

Article

First final provision, amending Law 38/1992 on special duties to add content to Article 51(2). Article 18, amending Law 24/2013 on the Electricity Sector.

Description

This law is aimed to assist the transition to climate neutral economy in Spain. The law contains numerous fiscal measures to incentivise companies and other private organizations to adopt renewable energy and energy efficient technologies and to increase and accelerate the integration of renewable energies into the Spanish economy.

The measures include:

- a tax exemption for the production of electrical energy for a period of six months (coinciding with the months of highest demand and highest prices in the wholesale electricity markets (winter period);
- a tax exemption for the use of energy products aimed to produce electricity in electrical power stations or combined cycle power stattions. This exemption must have an effect on electricity price for final consumers.
- a tax exemption for self-consumed energy of renewable origin, co-generation or waste.

Regarding the latter, the government approved the Royal Decree 244/2019 on 5 April 2019, which establishes the conditions for self-consumed energy, thus completing the regulation

of Royal Decree 15/2018.

Commentary

Not available

Additional metadata

Cost covered by	Companies National government
Involved actors other than national government	National government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), Spain: Employer's obligation to improve energy efficiency, Restructuring legislation database, Dublin